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7 May 1959

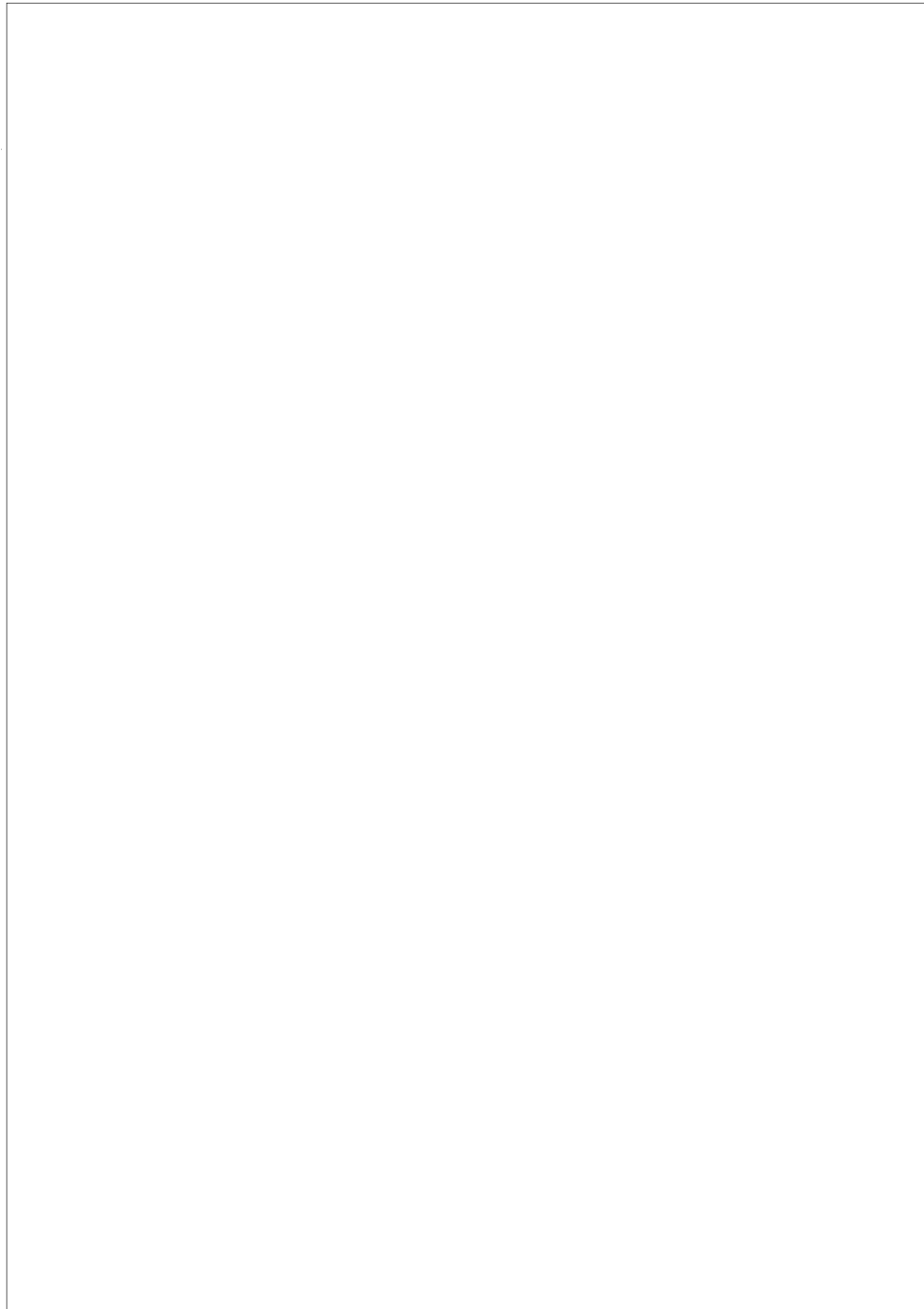
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CENTRAL INTELLIGENCE BULLETIN



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7 MAY 1959

I. THE COMMUNIST BLOC

Chinese Communist rebuttal of Nehru's remarks about Tibet hints at desire to improve Sino-Indian relations; further exchanges likely.

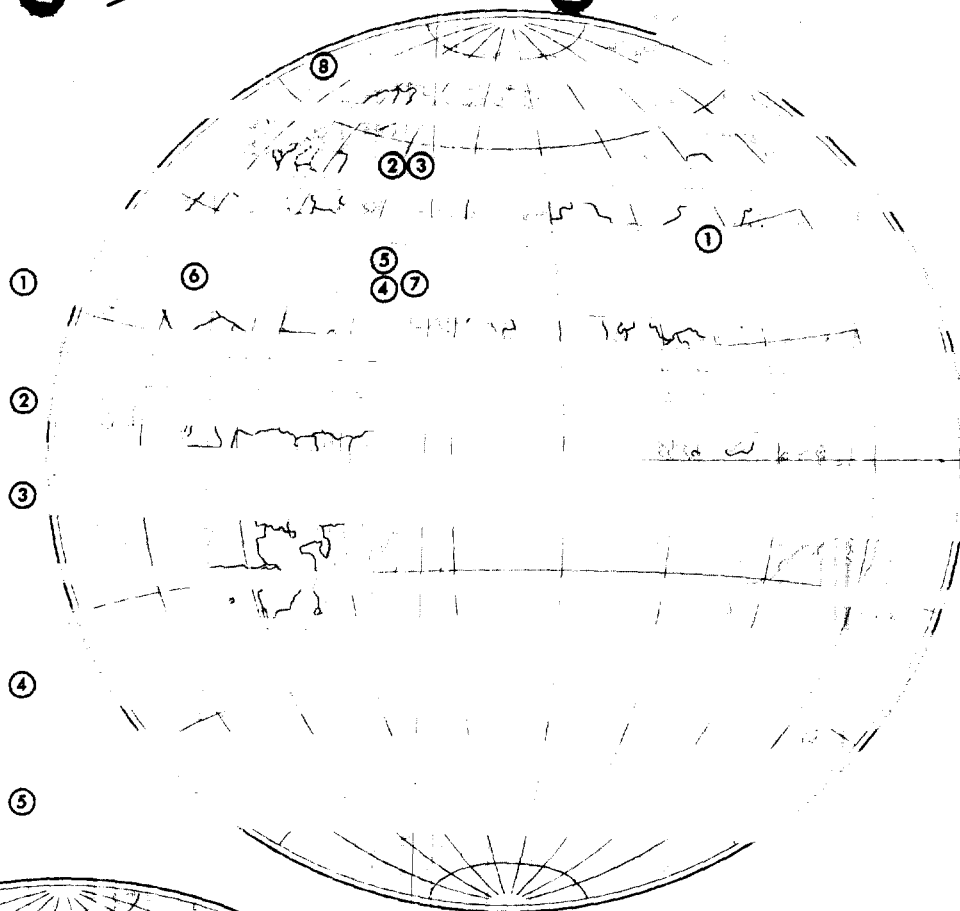
Soviet note charging Kishi with wanting to involve Japan in nuclear arms race is aimed at influencing June elections for Japanese upper house.

Gromyko makes strong statement to Iranian ambassador on Iranian-Soviet relations. [REDACTED]

II. ASIA-AFRICA

Iraqi Embassy in Moscow empowered to issue visas to bloc personnel without prior approval from Baghdad. [REDACTED]

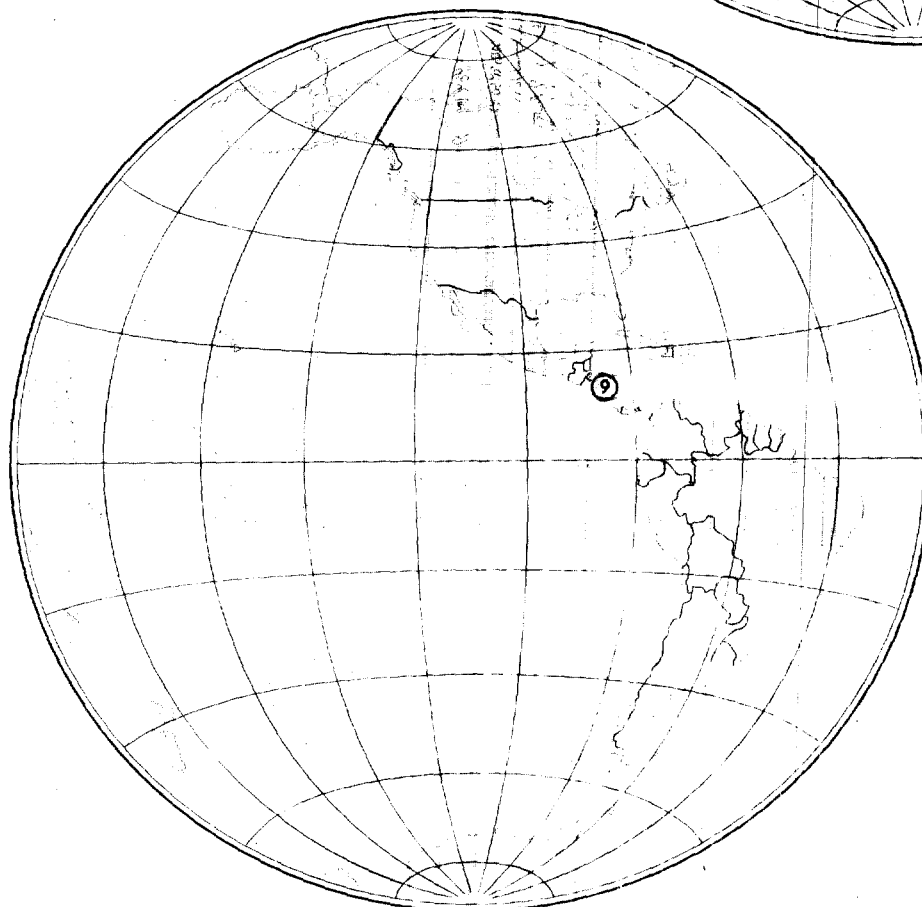
Iraqi security forces with aid from irregulars regaining control of tribal areas near Turkish and Iranian borders. [REDACTED]



- ⑥ Arms en route to Algerian rebels believed to have come from Saudi Arabia. [REDACTED]
- ⑦ West Germans to build pipeline and terminal facilities for Iran from Abadan to Persian Gulf.

III. THE WEST

- ⑧ British-Icelandic fishing dispute aggravated by more incidents.
- ⑨ Nicaragua - Exile groups still planning action against Somoza regime.

**TOP SECRET**

CENTRAL INTELLIGENCE BULLETIN

7 May 1959

DAILY BRIEF

I. THE COMMUNIST BLOC

SIRAB

OK Communist China - India: Peiping has issued a lengthy rebuttal of Nehru's statements on Tibet. The People's Daily article, which describes Nehru as a "friend of China," is probably intended to prepare the way for an improvement in Sino-Indian relations. The Chinese call for an end to mutual recriminations, but warn that any new Indian criticisms will be answered. Although Nehru will be further irritated by the continuing Chinese charges that India intervened in the Tibetan situation, he is also interested in easing the strain between the two countries. [redacted] (Page 1)

OK USSR-Japan: Moscow is attempting to influence the important Japanese upper-house elections in June by charging that the Kishi government intends to involve Japan in a nuclear arms race. A Soviet note delivered in Tokyo on 4 May claims that the Japanese Government is "encouraging" the arming of US forces in Japan with nuclear weapons and that it is "taking measures to arm" Japanese forces with such weapons. Tokyo intends to reject Moscow's latest charges in a formal note. Similar Soviet moves prior to previous elections have damaged the position of the Japanese left. [redacted] (Page 2)

NO USSR-Iran: Soviet Foreign Minister Gromyko, [redacted] told the Iranian ambassador on 30 April that an improvement in Soviet-Iranian relations was dependent on Tehran's taking some positive steps which would "make us confident of Iran's sincerity." Gromyko charged Iranian officials with preparing to break relations, and declared that Tehran must find a way "as soon as possible" to make up for the "insult we have suffered." Iranian messages still indicate deep concern over continuing Soviet propaganda attacks. [redacted] (Page 3)

NO Watch Committee conclusion--Berlin: No significant changes bearing on the possibility of hostilities. [redacted]
[redacted]

II. ASIA-AFRICA

NO Watch Committee conclusion--Middle East: Situations susceptible of direct exploitation by Sino-Soviet bloc action which would jeopardize US interests exist in the Middle East, particularly in Iraq and Iran. The situation in the area remains precarious, but a deliberate initiation of large-scale hostilities is unlikely in the immediate future.

NO Iraq: The Communists are now moving to consolidate their dominant position by seeking representation in the cabinet. Although Qasim appears reluctant to permit overt political parties, he shows no signs that he is contemplating resolute anti-Communist action. [redacted]

NO Iraq-USSR: The Iraqi Embassy in Moscow has been empowered to issue visas to citizens of the Soviet Union and other bloc countries without first obtaining approval from Baghdad, [redacted]
[redacted]

NO This procedure contrasts with stringent restrictions which the Iraqi Government has placed on the issuance of visas to citizens of Western countries, and is probably designed to speed up the entry of Soviet technicians to Iraq in connection with recent aid agreements. [redacted]
[redacted]

NO Iraq: Iraqi security forces, supplemented by Popular Resistance groups and volunteers, are gradually regaining control of villages and police posts which had been occupied by dissident Kurdish tribes near the Turkish and Iranian borders, according to intercepted Iraqi messages. [redacted] (Page 4)

NO Algeria: An Arab ship, believed to be carrying 250 tons of unmarked arms and some military vehicles from Jidda to the Algerian rebels, is scheduled to arrive in Bengasi on about 7 May,

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DAILY BRIEF

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[redacted]

Saudi Arabia, which purchases arms for the rebels in West Germany, is becoming, along with Iraq, a major supplier of aid to the Algerian rebels. [redacted]

[redacted]

OK Iran-Oil: The Bonn government has agreed to underwrite private West German construction of Iran's high priority \$125,000,000 pipeline project, including terminal facilities, from the Abadan refinery to the Persian Gulf. The entire output of Iran's 415,000 barrel-per-day Abadan refinery is currently dependent on the Iraqi-controlled Shatt-al-Arab River for exit to world shipping routes. Tehran has long feared that Iraq might close the Shatt-al-Arab to ships carrying Iranian oil. Tehran also claims that the \$8,000,000 it pays yearly in river dues is excessive. [redacted] (Page 5) (Map)

III. THE WEST

OK Britain-Iceland: Recent incidents, involving warning shots, have aggravated the eight-month-old dispute over Iceland's unilateral extension of its fishing limits. An Icelandic court has fined a British trawler captain heavily. Both sides may now act more aggressively, and relations between the two NATO allies may deteriorate further. [redacted] (Page 6)

OK Nicaragua: Exile groups continue planning revolutionary action against the Somoza regime. An opposition leader inside Nicaragua claims to have been informed that an exile group in Costa Rica plans a probing action across the border in the near future. [redacted] (Page 7)

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Sino-Indian Relations

Peiping has issued a point-by-point rebuttal of Nehru's recent statements on Tibet, particularly that of 27 April which attempted to set the record straight on Indo-Tibetan relations. While the People's Daily editorial states that criticism of Communist actions will not go unanswered, its moderate tone contrasts with the recent bitter denunciation of "Indian expansionists" and represents an effort to pave the way for improvement in Sino-Indian relations.

Describing Nehru as a "friend of China," People's Daily agrees that India has no "political ambitions" in Tibet, but reminds the Indian prime minister that his remarks on Peiping's failure to honor its assurances of Tibetan autonomy are construed as "interference." Nehru's avowed sympathy for the Tibetan rebels is in "error," the article states, repeating Peiping's claim that the revolt was inspired by "feudal reactionaries." It suggests Nehru curb Indian criticism by adopting a "clear-cut, hands-off policy" and calls for an end to the exchange of recriminations with New Delhi.

The editorial claims the rebellion has been quelled "in the main" and states that traditional Tibetan political and social patterns are to be radically altered by "peaceful" revolution. The Communists have already introduced mutual aid teams--an elementary form of collectivization--to work land confiscated from rebel leaders and now are hinting about land distribution.

Peiping's continuing refutation of Indian statements will further irritate New Delhi, although Nehru probably will also try to ease the strain between the two countries.

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USSR Renews Charges of Nuclear Weapons in Japan

The USSR delivered a note in Tokyo on 4 May charging that the Kishi government intends to involve Japan in a nuclear arms race in the Far East. Moscow claims Tokyo is "encouraging" the arming of US forces in Japan with nuclear weapons and that it is "taking measures to arm" Japanese forces with such weapons. Unlike three previous Soviet notes on the same subject within the past year, this one specifically includes Japanese forces in its charges. The note apparently is intended to influence the vote in the upper-house elections on 2 June. Similar Soviet efforts in the past, however, have boomeranged and damaged the position of Japanese leftists.

The new note reiterates Soviet Premier Khrushchev's previous vague proposals for a conference of various Far Eastern powers, including the United States, to "guarantee" Japan's neutrality, and to set up a denuclearized zone in the Pacific region. Moscow, which "expects" the Japanese Government to make the "necessary explanations," is apparently seeking to provoke Tokyo into a formal rejection of its proposals. As an additional means of pressure, Soviet officials continue to obstruct settlement of the fishery negotiations although the fishing season has already begun.

Japanese Foreign Minister Fujiyama, who indicated on 6 May that Tokyo would answer the note soon, emphasized that Japan's policies will be decided by the government alone, and that Japan has no intention of arming itself with nuclear weapons. Both Prime Minister Kishi and Foreign Minister Fujiyama have publicly reiterated that a security arrangement between Japan and the US will continue to be necessary.

~~CONFIDENTIAL~~

Moscow Rejects Iran's Efforts to Halt Soviet Propaganda Attack

Soviet Foreign Minister Gromyko, [redacted] told Iranian Ambassador Masud-Ansari [redacted] that an improvement in Soviet-Iranian relations depended on Tehran's taking "some positive action" which would "make us confident of Iran's sincerity." Gromyko, [redacted] charged Iranian officials with preparing to break relations, and declared that the Iranian Government must find a way "as soon as possible" to make up for the "insult we have suffered"--an apparent reference to Iran's conduct during the talks on a nonaggression pact which were broken off on 10 February.

Soviet officials did not specify the nature of the "positive action" by Iran necessary to assure an improvement. Gromyko, referring to Soviet propaganda broadcasts attacking the Shah, had asked Ansari on 12 April, "If these statements are stopped, are you willing to come to an agreement with us?"

Gromyko's statements on 30 April were a verbal reply to a strongly worded Iranian note, delivered by Masud-Ansari, which proposed that Moscow halt its "indecent" and "repulsive" attacks in order to preserve friendly relations. Masud-Ansari had been making friendly approaches to Gromyko since 12 April, but apparently without success.

Radio Moscow has continued its strong attacks on the Shah and his regime. On 4 May, Radio Moscow told Iranian listeners that "the personal life of the Shah... can in no way provide an instructive example for his subjects." "The National Voice of Iran," a clandestine station apparently in the USSR, began broadcasting about 27 April. In comparison with overt Soviet broadcasts, this station tends to be even more specific and personal in attacks on the Shah, and attempts more openly to incite social minorities and tribes to revolt. [redacted]

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II. ASIA-AFRICA

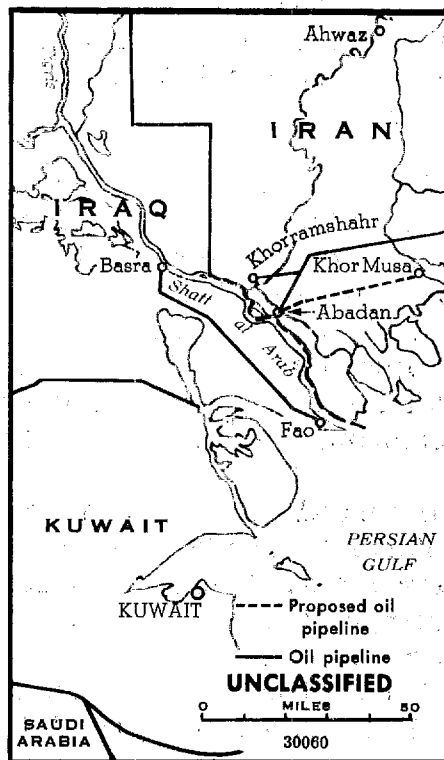
Iraqi Army Units Pressing Attack Against Dissident Kurdish Tribes

The reinforced Third Brigade of the Iraqi Army's Second Division is gradually regaining control of villages and police posts occupied by dissident Kurdish tribes near the Turkish and Iranian borders. Brigadier Janabi, commander of the Second Division, is receiving support from the Iraqi Air Force and is also using Popular Resistance groups and volunteers to supplement his forces.

On 2 and 3 May, when the rebellious tribesmen were proving difficult to dislodge, Janabi was considering arming the nearby Barzani tribesmen, who are loyal to the Qasim government, and using them against the dissidents. It is not yet clear whether he actually did so; such action would risk further antagonizing a number of other Kurdish tribal chieftains who, though still quiescent, are already bitter about the special favors the government has granted to the Barzanis, led by the pro-Soviet Mulla Mustapha.

Iraqi military [] allege the involvement of Turkish, Iranian, and American military personnel in the frontier areas. The Iraqi military command's edginess about border infringements was indicated on 6 May when Iraqi planes forced down a commercial Italian airliner. On the same day Radio Baghdad broadcast a proclamation from the military governor reinstituting an earlier prohibition on the use of Iraqi airports at night. []

~~SECRET~~ []



West Germany to Build New Iranian Pipelines

West Germany has agreed to underwrite private German construction of Iran's high-priority \$125,000,000 pipeline project from the Abadan refinery to Khor Musa, 36 miles away on the Persian Gulf. Apparently the project calls for a number of relatively small pipelines--each carrying a range of refined products--rather than the single large pipeline generally used for crude oil. In addition, storage for about 6,000,000 barrels of petroleum products, offshore leading lines, and other port facilities will have to be provided.

The entire output of the 415,000-barrel-per-day Abadan refinery, which is operated by a Western consortium, now reaches world shipping routes via the Iraqi-controlled Shatt-al-Arab River. Tehran has long feared that the river might be closed to ships carrying Iranian oil. Iraq harassed river shipping after the 14 July revolution; during the Suez crisis it planned to block the river mouth; and it recently discharged British nationals responsible for keeping the constantly shifting sand bars from blocking the river mouth. Tehran has accused Baghdad of charging excessive river dues, pointing out that the \$8,000,000 paid Baghdad each year approximately equals Iran's share of the refinery profits. Oil exported from Iraq's southern fields does not use the river but is transported by pipeline to the oil terminal at Fao.

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III. THE WEST

Icelandic-British Fishing Dispute

[A series of recent violations of Iceland's fishing limits by British trawlers has aroused Icelandic opinion. Both sides appear to be becoming increasingly aggressive and less disposed toward compromise. There is increasing concern over the possibility of casualties in the eight-month-old dispute, which on three separate occasions has involved warning shots.]

[One incident occurred on 29 April when an Icelandic patrol vessel attempted to arrest a British trawler within the four-mile limit, but was prevented by a British destroyer from taking the vessel in tow. Earlier a British trawler had submitted to arrest and was fined heavily. The Icelandic Government has refused to assure British trawler owners that it will not bring charges against trawlers submitting to arrest within the four-mile belt for also violating Iceland's unilaterally extended 12-mile fishing limit. The owners evidently now will order the trawlers to avoid arrest.]

[With parliamentary elections likely in June, the Icelandic Government appears neither willing nor able to pursue a moderate course in the dispute. Although the Communists are no longer in the cabinet or control the Ministry of Fisheries, the minority Social Democratic government remains a captive of the policies of its predecessor--in which the Communists had a strong influence--and is forced by public opinion to hold out for recognition of the 12-mile limit. All parties have united to support a parliamentary resolution protesting British infringements.]

[A serious incident within the four-mile limit could result in pressure on London to extend its naval protection into that belt, which would further inflame the Icelanders.]

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~~SECRET~~Nicaraguan Revolutionaries Continue Plotting

[Opponents of Nicaraguan President Luis Somoza, both in exile and inside the country, continue to plan revolutionary action against him.]

[An opposition leader in Nicaragua claims to have been informed that an armed and well-trained exile group in Costa Rica plans a foray into Nicaragua on 10 May. The invaders plan either to disperse and remain within Nicaragua or to draw back across the border, depending on the degree of resistance they encounter. Internal opposition leaders feel this group plans to act prior to completing preparations for a "full-scale invasion" because of fear that a Cuban-led exile group might act first. Anti-Somoza leaders inside the country tend to disagree on whether to create diversionary action in the capital during the border foray.]

[Meanwhile, the Nicaraguan National Guard has received unevaluated information that another group of exiles, this one across the northern border in Honduras, plans an invasion of the Pacific coast, also on 10 May. Another report.]

alleges that a group of 35 armed Cubans planned to leave Cuba on 6 May by sea for Mexico, where it is to prepare for a later invasion of Nicaragua.]

[Anti-Somoza groups are divided into competing factions, some of which are subject to varying degrees of Communist influence. None of them is believed prepared at this time for a major revolutionary effort, but one or more small groups may attempt to establish guerrilla operations inside Nicaragua and all of them are benefiting from the mounting "war of nerves" that makes Nicaraguan officials increasingly uneasy and may weaken public confidence in the regime.)

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